

147 E 351

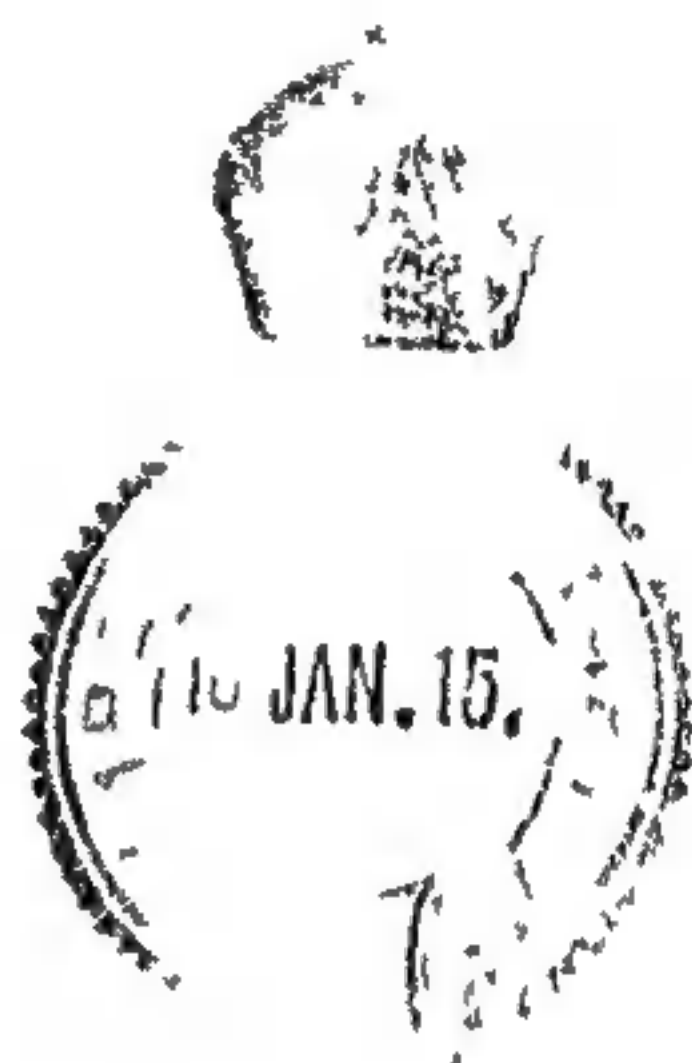
SUGGESTIONS
ON
EAST-INDIA TRADE.

LONDON:
PRINTED BY CHARLES WOOD,
Poppin's Court, Fleet Street.

SUGGESTIONS
ON
FREEDOM OF COMMERCE AND NAVIGATION,
MORE
ESPECIALLY IN REFERENCE TO
THE
EAST-INDIA TRADE.

BY
JOHN PRINSEP.

LONDON:
PRINTED FOR JAMES RIDGWAY, PICCADILLY.
1823.



SUGGESTIONS,

&c. &c.

THERE can be no stronger indication of the progress and diffusion of correct notions upon the subject of commerce in this country, than the necessity, which all writers upon its details appear to feel, of prefacing their remarks by some reference to those general and universal principles, the truth of which is daily more and more confirmed by the experience of individuals and of nations. That commerce thrives only in the genial atmosphere of freedom—that it languishes under the interference of authority, even when most sincerely exerted for its good—that it requires no other bounty or stimulus than the prospect of in-

dividual gain—these are maxims, that will soon obtain the common assent of mankind. In Britain, they have already become quite familiar and household doctrines, which to enlarge upon or to dispute would equally provoke derision. Indeed, it was but natural to expect, that the people, which in practice was, of all others, most deeply engaged, should, in theory also, prove the best proficient in matters of commercial policy.

It must be confessed, however, that we have purchased this superiority by no means at a cheap rate. The best school is said to be the school of adversity; and so it has proved in this, as in most other branches of knowledge. A series of political vicissitudes without any former example, either in frequency or in violence, diversions of the current of trade, which no exertion of foresight could have anticipated—vibrations of credit and of relative value, pregnant with private ruin and public danger—these, and a variety of concurring circumstances, have, for some years past, kept up a continual and feverish agitation in the mercantile part of the

community, that has tended very much to promote the spirit of inquiry, and to sharpen the speculative genius of the trading classes. The press has teemed with the results of their personal experience or sagacity; the materials of right reasoning have been multiplied exceedingly; and those materials have been successfully employed in leading the public mind to a just sense of the national interest. And so strong has been the conviction, and so decided the expression of public opinion upon many important questions of domestic polity, as at length to have enforced the tardy attention and acquiescence of the public authorities, and to have overcome their characteristic aversion to everything like innovation.

For it were vain to deny, that this progressive improvement, in theory and in practice too, is wholly referable to the sagacity and perseverance of individuals, and owes nothing to the exertions of men in office. The depositaries and agents of power have never shown much solicitude for the advancement of knowledge, in this or any other department. Had they par-

taken of that impulse, which has been acting so strongly upon their inferiors, there have not been wanting in our times abundant opportunities for its display, far more inviting than any presented in former ages.

In those periodical conferences, which the crowned heads of Europe are now in the habit of holding for the discussion of their common views and interests, it were surely not too much to have expected, that the concerns of commerce at large should have occupied some portion of their deliberations ; for it was a matter wherein the subjects of all had the most evident, as well as the most intense interest. What more favorable moment for the adoption and promulgation of the grand maxim of reciprocity and freedom of intercourse among nations ; for the explosion of the capital error of jealous exclusion of foreign products, by prohibitory laws or prohibitory taxation ? What better opportunity for the common adjustment of some of those details, most important for facilitating the interchange of products between one nation and another ; the establishment, for instance, of an uniformity of weights and

measures, and of a common standard of metallic money ; or the assimilation of the laws affecting trade and traders, and commercial instruments ? These, and such as these, were matters of common import to all, worthy of the grave attention of so august a conclave. Their settlement would have done more to promote the peace and welfare of mankind at large, and to ensure the grateful recollection of posterity, than any thing that has occupied the joint deliberations of princes since the era of the Reformation. And these were topics which the diplomatists of Britain, in her hour of triumph, might have pressed upon her allies, without exciting their suspicion or jealousy ; whilst her enormous sacrifices in the common cause were yet fresh in their memory, and ere yet the prizes of her energy and the price of their acquiescence had been yielded up with heedless liberality. Nay, these were topics, the very advancement of which, on her part, must have given to other nations a pledge of her sincerity and liberal views, and spared her the ungrateful suggestion, so frequent in the mouths of foreigners, that, as all her

burthens had been incurred, and all her energies put forth on the narrow principle of trading speculation, they entitled her to no indemnity, and justified those they had finally rescued from thralldom in the adoption of an exclusive system, modelled on the plan of her own, and levelled expressly at her humiliation.

But the moment has unhappily passed unheeded, when the negociators of Britain could have urged these points with almost irresistible force: and ages may roll on before a similar opportunity may present itself to the hopes of mankind. The morrow of victory has been consumed in a sordid scramble for its spoils, with a total disregard to the wishes, the habits, and the interests of the millions transferred from hand to hand in this unhallowed traffic of domination. As might have been foreseen, the burst of exultation, which the change had at first excited, has long since subsided: it has given way to general and deep discontent, the expression or suspicion of which has become so alarming to the wholesale dealers and brokers in sovereignty, as to have left them little inclination to study

any thing beyond the bare conservation of their ill-gotten power, and the permanence of the monarchical system. Instead of making the extension of inter-national commerce the object of their debates, they seem to be laboring to confine it within yet more narrow limits. Liberal maxims of trade have become suspected, as akin to liberal maxims of government. To check their diffusion, to prevent their expression, to counteract their effect, every device is put into practice. The operations of the press are systematically obstructed, unless where it acts as the ally of authority. The activity of inter-national intercourse, the free agency of individuals, are repressed and violated. Prejudices are industriously revived; and calumny is let loose in all its virulence, to scatter the seeds of mistrust and discord. No means are neglected to weaken and distract, mislead and falsify public opinion, which they are unwilling to conciliate, and afraid to encounter, because they are conscious of deserving its hostility.

It is not difficult to foresee the result of these mischievous and ill-timed measures,

or to anticipate, at no very distant day perhaps, the violent reaction of ■■ elastic principle, too powerful to be contained by such means, and the probable destruction of those who have ventured upon their application. For the present, however, they seem to have obtained an ephemeral success. At all events, they have the practical effect of prolonging, while they last, the insulation in matters of commerce, of those nations that come within their operation ; and of protracting the ruinous duration of a system, founded upon jealousy, exclusion, and monopoly ; a system of retaliation, at the expense of self-denial, which aims at a state of independence, as unnatural to nations collectively as it is to man in every condition of his being ; and perpetuates, if it does not engender, misery and privation.

To such insulation most of the continental nations seem unhappily doomed for some time longer. Prejudice, and the ignorance of their true interest may, possibly, reconcile them to its continuance ; and it is most certain, that, while one nation shall persist in upholding it, another will

find, or fancy, a necessity for doing the like; for each will stand to its neighbour, ■ it were, in the relation of a commercial antagonist. Fortunately for this country, even supposing the exclusive system to be in full vigor throughout the rest of Europe, or of the world, and that she were thereby compelled to the most selfish regard of her own particular interests, she is nevertheless invited by the strongest motives, even of mere self-aggrandizement, to the immediate adoption of the opposite policy. If it be true, that her rank amongst nations depends upon her maritime superiority, a position which her friends and her enemies seem perfectly agreed upon; it is no less true, that maritime commerce is the basis of that superiority. To animate that commerce, therefore; to multiply the objects of traffic, and the occasions of transport; to invite its extension by every possible facility; to excite new wants on either side, and to anticipate their gratification; to give to the commercial navigation of Britain such advantages of freedom ■ shall secure to it the preference in the carrying trade, are measures of the most obvious

benefit, whether other nations shall act upon the exclusive system or not. To her, indeed, the most desirable thing in the world must be, that freedom of commercial intercourse should be universal. For she, being possessed of the largest share of capital, industry, and knowledge, would naturally, in such a state of affairs, engross the largest share of the general commerce, of the supply of the market with manufactured products, and of the business of inter-national transport and navigation. This is at the same time her true interest, and the true interest of all other nations. But, if the ignorance or jealousy of others prevents her enjoying this to the full extent, what is there to preclude her from the benefit of such an approximation at least to this point of desire, as it rests with herself to attain? The removal of internal impediments to commerce, the entire and reciprocal freedom of navigation throughout all the parts of her own extended empire, spread out as it is into every quarter of the globe; the free mutual interchange of their respective products; and the most liberal admission of the products of foreign

nations to her home and colonial consumption, are all within her reach; she may at any time make them her own by her own will and act. Perhaps those foreign states, that have adopted exclusion from her example, may learn to amend their institutions by her example also; and it is to be hoped, for her sake and theirs, that they may. At any rate, until they do, there is no reason why Britain should refuse to her own commerce so vast an advantage, as such a change in her commercial policy would give it, over her less liberal and less wise competitors.

The necessity and expedience of such a change, indeed, are now pretty well understood; and the errors and prejudices of ages are fast yielding to the momentum of enlightened public opinion. The long promised equality and freedom of trade between Ireland and the rest of the United Kingdom is at length about to be realized. The rigor of the navigation act, that stalking-horse of the commercial system, that imaginary bulwark of our naval power, has been relaxed in many particulars; nay, the soundness of its principle has been called

into question, and almost abandoned in argument. The direct communication of the British colonies in America and the West Indies with foreign markets and with one another, has been legalized*. The trade from port to port within the limits of the East-India Company's charter, and that between those ports and the foreign markets of Europe and America, have been thrown open to British vessels†. The privileges of the South Sea Company have sunk into total oblivion. The East-India monopoly has been in a great measure broken down; and that of the China trade, though left for the present in the hands of a chartered company, seems tottering under the well-directed attacks of its adversaries, and will hardly endure for the full period of the legitimate existence assigned to it. All these are victories gained by the persevering efforts of reason, and afford the strongest evidence of a gradual approach to that sound and wholesome policy, which admits of no restriction upon production or consumption that can by any

* 3 Geo. IV, c. 44.

† 1 & 2 Geo. IV, c. 65.

means be dispensed with, and leaves the wants of mankind to seek their own supply at the smallest expense of difficulty, and their industry to the operation of the best and only natural stimulus—the desire of gratification.

Of all these acquisitions, beyond question the most important, whether we estimate by the effect already produced, or by the expectation of future results, is the destruction of the East-India monopoly, and the opening of the markets of the immense area lately comprised within its limits to the competition of British capital and commercial enterprise. Yet none was more strenuously resisted both by argument and by influence. It was confidently predicted by the advocates of exclusion, that the projected change, while it endangered the permanence of British dominion in the East, would be productive of little or no national benefit; that our manufactures would find no vent amongst

■ Vide — *Minutes of the Court of Directors of the 4th of February, 1801, containing the resolutions of the Special Committee adopted by the Court.* Published in 8vo., together with several other documents illustrative of the controversy of that day, by Black and Co., 1809. Resol. 14, p. 84.

a population of manufacturers, whose very limited wants were amply supplied from their domestic resources; that the excessive eagerness of speculation would tend to nothing but the ruin of individuals and the impoverishment of the nation; that a great capital would be allured into a distant and hopeless adventure, disastrous to the traders, and injurious to the state.

But there were others of more enlarged and liberal views, even amongst the mercantile classes, who treated these alarming denunciations as groundless and delusive, and avowed their expectation of a far different result. "The wants of the natives of Hindustan, it is said, are but few; and that, beyond the attainment of mere subsistence, which in this plentiful and genial climate is easily acquired, the mass of inhabitants will never labor for the possession of the luxuries, or even of what we deem the conveniencies of life. The experience of past ages contradicts this assertion: for the wants of all men increase with their means; and every new enjoyment is the parent of a new desire. Ensure, then, to the Hindu the product of his labour,

and ingenuity ; teach him to exchange the surplus for his own benefit in multiplying his enjoyments ; and I hazard little in assuming, that his propensities will be found similar to those of mankind in general, notwithstanding the influence of an enervating climate and tyrannical religion. What ■ prospect does this open to the industry of Great Britain, provided its products can be introduced at a reasonable rate, and *paid for with the productions of Bengal?* Such were the words of a free merchant of Calcutta*, thirty years ago, and the experience of a very few years has more than verified his expectations, proving by the testimony of facts, that the natives have begun to feel the advantages of the security afforded by good government, and that their means have increased, and engendered new wants.

For what is the picture presented to us, by contrasting the commercial position of Great Britain, in reference to Eastern Asia, in 1822, with that in 1813? Her exports to that quarter have progressively

* The late Mr. Anthony Lambert, ■ man of equal merit and modesty.

advanced from less than one to more than four millions*; and the returns, direct and indirect, *must* necessarily have been increased at least in a like ratio. The increase of tonnage employed to effect the transport must also have been proportionate. This is an increase beyond the most sanguine calculation. But our surprise and satisfaction will be still greater, on examining the items that form this aggregate. For, although some part of this vast amount is undoubtedly referable to the enlarged consumption of European products by European residents in Asia, which their increasing numbers and the decreasing invoice prices and rates of freight and insurance will naturally account for, the far greater part will be found to consist of the staple products and manufactures of Great Britain, of its metals woollens, hardware, pottery, glass, &c., destined to the consumption of the native population. These are both more important and more permanent objects of traffic, than the supply of a migratory population

* *Vide Return of Exports for 1822*, about to be laid before Parliament.

of Europeans with the precarious articles of luxury or vanity.

But the most extraordinary item of all is the article of manufactured cottons, which alone has progressively advanced, between 5th January, 1815, and 5th January, 1822, in declared value, from 109,000*l.* to 1,120,000*l.*; and, in quantity, from 818,000 to 19,919,000 yards; that is to say, more than *tenfold* in value, and *more than twenty-three fold* in quantity, in a period of *eight years*.^{*} When it is considered, that, long before and since the first establishment of the Company upon its shores, cottons had been the staple manufacture of India, and the grand item of its export to the markets of Europe, also, that the *muslins* and *calicoes* of India had, for centuries, been the principal articles of commerce with the East, and the ordinary homeward investment of all the European Companies trading thither; and when, in addition to this, the difference in the price of labor in Europe and India respectively, and the distance of transport

* Vide Return to the House of Commons, Appendix A.

to and fro, are taken into the account, it is scarcely credible, that, in so short ■ period, there should have been effected ■ revolution of commerce so important in its nature and consequences, as, that the cotton-wool, grown in the East by a frugal, industrious, and dense population, should be made to bear the cost and risk of transport from India to Europe ; and, after undergoing the process of manufacture there by a population infinitely less frugal, with every disadvantage of high wages, high taxation, &c. &c., to bear the cost and risk of a second transport back again to India ■ a wrought state, there to undersell the native manufactures, and rapidly to extinguish them by the competition.

Surely this is the very consummation of the triumph of machinery. Forty years ago the expectation of such a revolution would have been deemed purely idle. And, even since the commencement of the present century, when it began to be openly entertained by the manufacturers, it was looked upon by the rest of the world ■ ■ wild speculation. Yet eight years of *free trade* have realized this asto-

nishing change, and opened a field of promise, which it would be difficult to measure. For the present vent for this most important article, great as it is, sinks to nothing in the contemplation of the still further extension, not only possible, but almost inevitable. As yet, the consumption of British cotton goods in the East has scarcely exceeded the precincts of Calcutta, Madras, and Bombay, and the immediate vicinity of the European establishments. But the gradual abandonment of the manufacture by the natives, which is already in rapid progress, will leave the one hundred millions of population, spread over the peninsula of India, almost dependent upon this country for the supply of this, to them, indispensable article; and not the population of India only, but that of the numberless continental and insular nations, who were wont to supply themselves from India: to say nothing of the yet unexplored market of China, which is still within the pale of the Company's monopoly.

. Here, then, has been opened a field of
 c' 2

adventure for the manufactured products of Britain, ample in possession, and boundless in prospect. And, as if more conclusively to establish the triumph of liberal maxims, it has been won without incurring any of those dangers to the permanence of our Indian empire, so confidently predicted by the advocates of the old system of exclusion. The territorial power of Britain in Asia, instead of being put in peril by "widening the channel of intercourse between her and India," has only been further extended and confirmed. The "ascendancy of European talent," instead of being reduced by the larger influx of Europeans, has been raised to the highest pitch of elevation ; insomuch, that even the bugbear of colonization, wherewith the Company were wont to excite the alarms of the public, has lost its terrors : nay, so entirely has opinion changed on these matters, that, instead of being regarded as pregnant with danger, it is recommended, by many of the highest authorities, both in England and in India, as the best and safest policy for the preservation of our Asiatic domi-



nion*. The dependence of India, it is now admitted, must rest on other and better foundations, than the exclusion of British talent and the perpetuation of native degradation. It must be secured by the sense of personal advantage, inspired by that protection of life, liberty, and property, which good government affords ; by the vigilant superintendence of the conduct of the inferior, and the judicious selection of the superior, functionaries, to whom the administration of so vast and distant a territory, and of so various a population shall be confided ; by the liberal and careful use of that enormous patronage, which is to supply the public service of India in every department ; in fine, by the just and enlightened exercise of that power, which, however acquired, it is now a duty the conquerors owe alike to themselves and to the vanquished, to preserve by firmness, equity, and moderation.

But, to return to our immediate object of attention, the infinite importance of the

■ Colebrooke's opinion is decidedly in favour of colonization ; and the present Chairman of the Board of Control makes no scruple to declare himself an advocate for it.

commercial intercourse with the East, which the recent destruction of the old monopoly has given us but a taste of as yet, it behoves both thinking and practical men, by the utmost vigilance, to prevent any check to its growing magnitude, which ignorance or self-interestedness may attempt to throw in its way. It will therefore excite no surprise, that one, who has devoted a large portion of an active life to the enforcement of the benefits of a free trade to the East, and to the advancement of the just claims of the free merchant and ship-builder of British India, should expend some of the small remaining energy of it, in fixing the attention of Parliament and the country to some attempts, which have been lately made or renewed, and to some remaining obstacles, which threaten to deprive the nation of great part of the fruits of a victory fairly achieved and vigorously contested. Although some of them have already been made familiar to the public by the late discussions in the India-House and in Parliament, they are of sufficient consequence to find a place in the recapitulation of those difficulties,

which the commerce of the East has yet to contend against.

The first and most obvious is, the successful attempt to exclude East-India sugar from the home market of Britain, by the imposition of a higher scale of duty*, for the avowed purpose of giving a proportionate bounty and preference to that of West-India growth. This partial monopoly has been granted for a season, it is true; but, as its continuance will be contended for on the same principles that have prevailed to obtain it, now, on the eve of its expiration, is the time proper to expose their fallacy; and the question is one, not only of great moment in itself, but of more danger on account of the precedent it will establish. If the West-Indian planter can fairly claim a partial monopoly of the supply of this one commodity to the consumption of Great Britain, why not that of coffee, cotton-wool, indigo, or any other equinoctial product? The same ar-

* By 1 & 2 Geo. IV, c. 106; this part of its provisions will expire, ■ to Great Britain, on the 25th March instant; and as to Ireland, on the 1st of July 1824: but doubtless a great effort will be made for the extension of the term.

gument, employed in resisting the revival of the principle of monopoly in the instance of sugar, and in proving its inexpedience in every point of view, will equally apply to its extension to any other object of colonial production, which the embarrassments of the transatlantic colonies may lead them to press for. Let us take a view of the bearings of the question in reference to Britain, to India, and to the West Indies, respectively.

That the wonderful increase of the exports to India, and the still further increase of which they are susceptible, must be paid for with the productions of India of some kind or other, or must be altogether abandoned, is too plain to require explanation. Sugar, silk, cotton-wool, indigo, are the principal objects which the East can now offer for returns. The cotton fabrics, that, until the late revolution of manufacture in that commodity, constituted no less than two-thirds in value of the return cargoes to Europe, have been wholly supplanted in Europe and in Asia too, by those of Great Britain. India must henceforth look for its export to the raw pro-

ducts of its agriculture, of which sugar is not only one of the most valuable and abundant, but is almost the only one of dead weight that will bear the charges of transport. Abridge the homeward commerce of this most important item, and the outward will of necessity suffer an equal diminution, for want of any thing to be given in return. The present state of the exchange with India, and the uniform complaints of the exporters as to the difficulty and loss in procuring remittances, after the sale of their adventures in India, show the necessity of opening our home consumption to all the raw products of the East:—cotton-wool and silk for light stowage ; —sugar and saltpetre for dead weight. The whole of them, when remitted in the greatest abundance that Britain can directly or indirectly consume, will fall short of the value of the great and growing supply of British commodities, which the wants of the East are willing to receive from this country. Virtually to exclude the article of sugar from the home consumption of Britain, will be tantamount to the extinction of so much of the export

thence to India, ■ a sugar return could be made to pay for. This would be a double sacrifice.

The benefit of procuring the satisfaction of our wants at the cheapest possible rate is so obvious, indeed, that, as far ■ the British consumer is concerned, it has not been attempted to point out any ground of expedience, whereon to justify the compulsory purchase of sugar of a dearer, in preference to that of a cheaper, growth. The West-Indian party has therefore been constrained to admit the protecting duty they have implored and obtained, to be a downright breach of national economy, and a violation of the rights and interests of the British nation at large, and to rest their case upon the consideration due to their present calamitous position, and upon the justice and policy of preserving to the colonists and the empire, a capital, embarked in the channel of West-Indian cultivation, in the expectation of retaining the virtual monopoly of supply of the home market with equinoctial products. Let us examine this position step by step.

In the first place, whatever may be the

effect of the protecting duty on the private interests of the individuals concerned in West-Indian cultivation, how can it be the means of saving to the nation, in its collective capacity, the capital unhappily so embarked? There can be no saving of capital, where the loss incurred in the attempt to save exceeds the value of the thing to be saved. The whole value of the West Indies to Great Britain consists in the market they offer to her products: and if Britain abandons an ampler market in the East, to preserve a smaller one in the West, does she not thereby sacrifice a greater value for a less? In the calculations of an individual, such conduct would be set down as an imprudent waste, instead of a saving, of capital.

In the next place, what was the monopoly, upon the expectation of which the capital embarked in the British West Indies, was induced to take that direction? Assuredly not the exclusion of East-India sugar by a protecting duty: such a measure was never suggested until very lately. During the late war, and for many previous years, the West-Indian growers of sugar enjoyed a

natural monopoly, in the shorter distance and less hazardous navigation, in the greater cheapness of freight and insurance, and in the certainty of quicker returns. This is the actual monopoly, in the confidence of which his cultivation was undertaken; and this he enjoys at present, as much as when he first commenced his operations. It is secured to him by nature. It was not until the return of peace, seconded by the improvement of nautical science, had reduced the rate of insurance comparatively to a mere trifle,—and the sudden discharge into the channel of commerce of the immense quantity of tonnage occupied in the business of war, had brought freights down to a rate altogether ruinous to the ship-owner, whereby the *natural* monopoly was for a season rendered in a great measure nugatory,—that a protecting duty was *ever claimed or obtained*. But these were casual and transient circumstances, that could never justify an innovation, contrary to the interests of all the rest of the community. At all events, when their operation ceases, as it must do at no distant period in the ordinary course of events, the *natural* monopoly

will be restored to the full extent; and it is *upon that, and upon that alone*, that the calculations of the West Indian were built, and ought in reason and justice for ever to have rested.

But, further, can the capital thus embarked be eventually saved, even to the individuals concerned, by the protecting duty thus improvidently granted, supposing it to prove effectual in excluding the East-Indian product from the home market?

The French and Spanish islands, Surinam, Brazil, and the newly emancipated states upon the northern and southern continents of America, can produce cheaper than our own islands, and must all come directly or indirectly into competition with them. Are all these likewise to remain for ever excluded from the supply of the home market, as well as the product of Eastern Asia? Are the demands of all these regions for British products to be cramped, confined, or possibly extinguished, for the protection of a sinking concern, which probably, after all, may only be preserved, ere long to be swallowed up by the animosity of its own negro population, led on by another Tous-

saint, and stirred up by the marked distinction of color, and the never-failing instinct of resistance to oppression? 'This is indeed a fearful anticipation, even to those altogether unconnected with West-Indian affairs, but it is one that forces itself upon the attention of every political reasoner of ordinary foresight, and should never be lost sight of in estimating the value of its West-Indian connections to the British nation.

Hitherto the question of the protecting duty has been considered only in reference, either to the British consumer or to the West-Indian colonist; but there is a third party, that is quite as deserving of attention; and that is, the native population of India. By the prodigious revolution of the cotton manufacture above noticed, that population has been deprived of one great source of occupation and prosperity. The millions of hands lately engaged, during a large portion of the year, in the simple cotton looms of the native weavers of India, are thrown out of employment by the competition of British industry aided by machinery. In what way can they henceforth gain a sub-

sistence, or bestow their labor, but in the enlarged production of cotton-wool, silk, sugar, and other raw commodities? Sugar is for many reasons one of the most important. Are they not only to be shut out of their ancient channel of manufacture, in favor of the manufactures of Great Britain, but at the same time to be deprived of a market for one of the most valuable objects of their agriculture, in favor of rival growers in the West, who must always enjoy the natural advantages of lower freight and insurance, and speedier returns? Is nothing due to the Indian vassals of the empire for the loss of their own great staple of export and home consumption? nothing to the Company for the probable defalcation of its land revenue, which this extraordinary change will occasion? The parental care of the central administration is equally due to every portion of its subjects: tenderness must not be shewn to one at the expense of cruelty to another.

Moreover, it has been attempted to enlist the national prejudices on the side of the West-Indian connection, by extolling it as the best nursery for seamen, and the readi-

est resource for the manning of our navy in case of emergency. This is a ground yet less tenable than the positions already examined. Any external commerce, employing the same quantity of British tonnage, and the same number of hands in its navigation, will afford an equal nursery for seamen, and an equal resource in the hour of peril. Were the whole of the sugar and other colonial produce now imported into Great Britain derived from the East instead of the West, the least reflection must convince any man of common understanding, that, inasmuch as the voyage in the former traffic is twice as distant, twice as difficult, and twice as hazardous as in the latter, superior seamanship and double the amount of tonnage must be employed to effect the same aggregate import, and the export it would imply. Wherefore, in regard to the great national object of encouraging the maritime pursuits of our population, the intercourse with the East must be of double the value of that with the West. Nor is it any objection, that in the former the crews may consist partly of Lascars; for this will be obviated by the superiority of Europeans in

long and hazardous voyages. Besides, it is just as easy to exclude the employment of Indian as of Negro or foreign sailors by a legislative enactment*: and this is one of the provisions of the Bill brought forward, but not pursued, in the course of the last session of parliament.

Enough has been said to expose the injustice and inexpedience of the protecting duty on sugar, extorted by the representations of the West Indians in a moment of extraordinary depression. But it would be wrong to dismiss the subject, without a word or two of good-will addressed to the West Indians themselves. That they are now laboring under a calamitous pressure, which must sink them irrecoverably if it continue much longer, is most certain. Equally certain is it, that their hour of calamity has not commenced with the rivalry of East-Indian products. That rivalry, it is true, has been assisted by the concurring depression of the shipping interest, and

* This has already been provided for by the expression in the registry acts, "and navigated according to law;" i. e. by seven British sailors to every hundred tons, and a British commander, with a dispensation, however, in respect to the first requisite when British seamen are not to be had.

by the ruinous cheapness of freight and insurance, which, as above remarked, have weakened for the time the *natural* monopoly, which the difference of distance must always give. But this is a temporary circumstance, equally affecting all the other dependencies of Britain. The continued suffering and depression of the planters will be found to spring from very different causes — partly from their own imprudence and miscalculation, and from the extravagant charges of colonial government — partly from the protracted existence of a monopoly of their import and export, in favor of the mother country, even now but partially abandoned, though inconsistent with reason and justice ; and to the yet more absurd monopoly of sugar-refining, for the advantage of some score or two of Germans domiciled amongst us—but, above all, to the exorbitant taxation of their products when destined to home consumption, to which they have been virtually confined : a taxation which no skill, economy, or diligence of the growers can long bear up against. This last is the real bane of our external commerce; foreign and co-

lonial. This it is that limits our home consumption, cramps the activity of ~~an~~ industrious population in every department of manufacture, and silently and indirectly promotes the relative advancement of our competitors.

If the West Indian would ever rise from his present depression, let him stir himself without loss of time to get rid of these burthens and impediments: let him reform the abuses of colonial administration: let him assert his right to supply himself at the cheapest hands with every object of his wants, and to sell in return his own products to the best bidder, wherever he is to be found; for neither has yet been fully conceded: let him demand the liberty of exporting his product in whatever state of preparation he may find most advantageous; and call upon the parent state to reduce the exorbitant ratio of her taxation upon her home consumption of his products. In all these demands he will be cordially supported by the rival growers of the East, as well as by the wishes and the interests of the British consumer, for all are alike concerned in enforcing them. But, let

him not be guilty of the gross inconsistency of exclaiming against a monopoly that presses hardly upon himself, while he is at the same moment soliciting in his own favor another monopoly, equally oppressive to his rivals, as well as destructive of the benefit of the whole community. At present, he appears in the odious light of seeking to impose restrictions upon the commercial intercourse of a rival, at the very instant of the relaxation* of those which had obstructed his own.

So much for the attempt of the West-Indian party to exclude one of the staple products of the East from rivalry, by means of a protecting duty on its introduction into the home market. The other obstruction to the enlargement of our commercial relations with the markets of the East, which has attracted the attention of the mercantile classes, is the difficulty opposed to the freedom of navigation. This, though not of equal importance with the sugar question, is yet well worthy of consideration; not only on account of the

* By Stat. 3 Geo. IV, c. 44, 45.

actual injury sustained, but also, inasmuch as it exhibits another instance of illiberality and inconsistency, similar to that we have been just commenting upon. Let us see how the matter stands, in respect to the navigation between India and Britain.

This navigation, as the law now stands, is confined to vessels of not less than 350 tons burthen*, navigated according to law; i. e. with the requisites prescribed by the Act of Navigation†, and subsequent statutes on that head. And these vessels are obliged to provide themselves with licenses, specifying the ports and places in the East, whereat alone they are authorized to touch, and take in or discharge cargo. Thus, it is subjected to a twofold restriction: first, in respect to the size and tonnage of the vessels; secondly, in respect to the range from port to port within the limits of the Company's charter.

Against this double restriction, the trading and shipping interests of Great Britain very justly remonstrate. The former has been admitted to be utterly useless for

* 53 Geo. III, c. 155, § 13. † 12 Car. II, c. 18.

any good purpose*, and directly injurious to the owners and builders of all vessels of an inferior class. Both equally subject the British trader to a limitation, from which the foreign merchant is exempt. And the latter disables him from entering at all into that circuitous traffic in the Eastern seas, which may be necessary or beneficial for the obtaining a full return cargo for the European market; and altogether excludes British shipping from enjoying what is denominated, the country trade. These inconveniencies have become so manifest, that the Government and the Company itself seem, in the course of the last Session of Parliament, to have agreed on the propriety of their removal†. And, if an obstacle has occurred

* Vide, Correspondence between the Board of Control and the Court of Directors, laid before Parliament 5th July, 1822. — *Parliamentary Papers of 1822, No. 530.*

† Debate on the Navigation Bill, House of Commons, 21 May, 1822. “ Mr. Wallace; ‘ Our system, an artificial one, narrowed, and ought to be extended to the utmost verge. The benefits of unfettered trade ought to be extended to whatever soil, climate, or quarter of the globe the trader’s destiny attaches him. The object of this Bill to avow this end, or at all events to mark the disposition of Great Britain to effect it.’ ” — Vide, the Act ■ Geo. IV, cap. 43.

to retard this desirable measure, it has been interposed, partly by the refusal to abandon the protecting duty on East-India sugar, and partly by the blind selfishness of the shipping interest of Great Britain. Will it be believed, that, at the same time that the ship-owners and builders of Great Britain were pressing upon the Ministry and the Legislature a measure, designed to give themselves the free range of the Indian seas, and the free participation in the carrying, or country, trade of those seas, with the ship-owners of British India, they were actually laboring to perpetuate the total exclusion of these latter from the navigation with the rest of the globe, and to withhold from them the advantages of British registry, common to all other colonies and dependencies of the empire, and expressly secured to them by the terms of the Navigation Act? Nay, such a pretension is boldly avowed: it has been sanctioned by an Act of the legislature passed in 1814*, confining the privileges of registry to a certain class of India-built

* 55 Geo. III, c. 116, § 4.

ships therein specified, and excluding indiscriminately all those of after-construction; and ministers are pledged to support it*.

The right of India-built shipping to British registry is not a new question: it was fully discussed as long ago as 1785, when the late Lord Melville, then Mr. Dundas, took a prominent part in the affairs of India. It was then established by law†, and admitted as coming within the express terms of the celebrated Navigation Act‡. On the faith of this decision, British subjects settled at Calcutta, Bombay, and elsewhere, have since expended large capitals in the construction of docks and building of vessels there, for the purposes of trade between India and Europe. The vessels built there, which had presented themselves for registry before the general

* Vide, Correspondence referred to supra, p. ■ in not.

† 26 Geo. III, c. 60.

‡ 12 Car. II, c. 18, § 7, clearly defines what is to be understood by English shipping, i. e. "built in England, Ireland, Wales, Guernsey or Jersey, Berwick-upon-Tweed, or any of the lands, islands, dominions, or territories of his majesty, in Africa, Asia, or America, belonging to or in his possession."

opening of the trade in 1813, had met with no serious opposition; and those still in existence are now actually navigating with British registers*. Others would no doubt have presented themselves, but for the provision of the act of 1814†, which restricted the granting of registry for trade westward of the Cape of Good Hope to those already built, and the navigation westward of the Cape of Good Hope to such of these latter ■ were of the burthen of three hundred and fifty tons and upwards.

It is worthy of remark, that this is not an old monopoly which it is attempted to continue and uphold, but a modern innovation. The attempt to introduce it at the former period, when it was so warmly contested, failed of success; but now, that most of its old opponents have quitted the field, and their arguments are almost forgotten, it has been covertly renewed, with, it is to be hoped, a merely temporary success. It may be well to examine briefly for whose benefit it is intended, and upon

* ■ Vide a return of their names and tonnage, Appendix B.

† 55 Geo. III, c. 116, § 4, referred to *supra*.

what grounds it is, at this time of day, endeavoured to be justified.

The object of the exclusion is openly avowed, not only by those most active in soliciting it, but by the Board of Control in its recent correspondence laid before parliament*. It is, to give a monopoly of ship-building for the East-India trade to the shipwrights of Great Britain; and of the navigation to the owner of British-built vessels.

In respect to the grounds of its justification, it may be useful to revert to the arguments employed in 1795, and industriously revived in 1814, for the purpose of reconciling the public to the Bill then brought forward. It was urged, on the score of policy, that it was most dangerous to permit the growth of a rivalry in British India to interfere with the prosperity of the ship-builders of Great Britain, on whom alone she can safely rely for the maintenance of her marine. Is it not somewhat singular, that this objection should not have occurred to the framers or admirers

* Referred to *supra*, p. 38 in not.

of the Navigation Act, or have been raised against the ship-building of the other colonies or dependencies of the empire, especially those of North America; now incorporated into the United States, and those still remaining to us in that quarter of the globe? What complaints have ever been made against the registry, the employment, or even the sale to foreigners, of vessels built at Bermuda, at Halifax, or in the river St. Lawrence? What national danger was ever apprehended from the construction of ships at New York, or any other of the ports of our North American colonies now separated from the mother country? On the contrary, it was wisely declared, that the diffusion of skill and capital in this important branch of mechanism over every part of the empire, contributed to the security of its maritime power; that the resources of one part might supply the casual deficiencies of the rest. Besides, the mere fabric is, after all, but a secondary consideration. It is in the stout hearts and skilful hands of a seafaring population, that maritime strength consists; and not in the ability of the national shipwrights, or excellence of the materials they

have to work upon; although these are certainly most important objects. Where those hearts and hands exist, it is the interest of the nation, fortunate enough to possess them, to obtain the *materiel* of its navy at the cheapest possible rate for which it can be had from any part of its own dominions, or even perhaps from foreigners. And this point of view is most important to the question. For experience has unhappily shown, that the ships and sailors of North America may be formidable foes as well as able auxiliaries. But from British India no such reverse can be apprehended. Even supposing that India too should throw off the yoke of centuries, and retain the art of ship-building after her defection, to work up the excellent timber she possesses for the construction of a marine; is there any one so wild as to anticipate danger to our naval supremacy, from the enfeebled native sailors of our Eastern territories, who are most reluctantly entrusted with the management of vessels of traffic?

It would be the extreme of ignorance to imagine, that the admission of India-built shipping to participate on equal terms with that of British construction in the general

commerce of the world, could ever deprive the shipwrights of Great Britain of employment. It is well known, to all who have ever inquired into the subject, that the expenses of building in the dock-yards of India are so high, that, notwithstanding the durability of teak as a material, it was with the greatest difficulty they could maintain any thing like a competition, even in time of war, when the rates of building in Great Britain were swelled to the highest pitch, by the enormous demands of the war in the naval branch of expenditure. How, then, can such a competition be dreaded, with peace prices both of labor and of materials in Europe, when those of India have suffered no corresponding diminution?

The ship-builders seem aware of the weakness of their pretensions, by the anxiety with which they have exerted themselves to enlist on their side the prejudices and self-interest of the landholders, and to hold out to them the hollow bait of a monopoly of the growth of timber for the purposes of naval architecture. But, in the first place, the landholders may be

quite at their ~~sense~~ on this head, ~~as~~ far as India is concerned. Oak timber, under any circumstances, will, for many years to come, be preferred to teak as a cheaper material for the coasting and European trade, for the commerce of America, and for the navigation of the Eastern seas by Europeans. And, if they had not this assurance, still it requires little experience in matters of domestic policy to perceive, that the landholder of Great Britain is far more deeply interested in the general increase and prosperity of the national commerce with her own colonies and dependencies, and with other nations, than in the inconsiderable advance in the price of his oak timber, which the total exclusion of teak, whether wrought or unwrought, might possibly occasion. The nation, which can navigate cheaper than others, will be sure to engross the carrying trade, and with it the commerce it circulates ; and it will be strange if maritime power does not follow in their train.

These arguments are, however, so flimsy, that it is scarcely necessary to dwell upon them longer. Indeed, so little weight do

they seem to have carried with the public authorities, that the Board of Control, in its late correspondence* with the Court of Directors, in which it avows the intention of ministers to continue the exclusion of India-built shipping in despite of the strong remonstrance of the Company, has not deigned to notice any one of them; but has placed its defence on the single and intelligible ground of the "state of depression under which the ship-owners now labor." This is at the least candid and manly. Let us look a little into the validity of this solitary plea.

The ship-owners are in a state of depression. True: of most ruinous depression. How came they so? Was it by the influx of the score or two of India-built vessels† that had found their way to European ports; and been admitted to registry previously to 1814, when their future admission was interdicted? Assuredly not. Their depression was a natural consequence of the transition from war to peace; of the cessation of

* Referred to *supra*, *passim*.

† For a list of their names and tonnage, vide Appendix B; *infra*.

the demand for the transport service ; of the immense amount of tonnage suddenly released from that service, and returned into the general fund of tonnage applicable to the purposes of commerce. And if the ship-owner suffered, the ship-builder could not do otherwise than suffer. His business will be at a stand, until the glut of tonnage shall have gradually found ■ vent in the enlarged operations of commerce, or have been consumed by the ordinary course of wear and tear. Till that vent be found, vessels of large burthen will be hardly worth repair. But it cannot now be far off; the elements are fast executing their work : and, whether it be near or distant, the temporary depression can afford no reasonable pretext for an act of barefaced injustice to another class of ship-owners, at least as much depressed ■■ themselves. The ship-owners and ship-builders of British India, all of them subjects, most of them natives of Britain,—are not they also depressed by the operation of the same causes ? Their ships had most of them been built during the continuance of the Company's mono-

poly, when the Eastern seas were shut against the British ship-owner, except through the medium of the Company's service. The country trade was then their monopoly. That monopoly disappeared with the qualified renewal of the Company's charter in 1813, which let in the competition of British-built tonnage on a much more liberal footing than before. Peace crowded their harbours too with a great surplus of tonnage, seeking in vain for employment; they too were depressed, ruinously depressed. Where is the justice or policy of relieving one class of sufferers by increasing the pressure on the other? What would the ship-owners of Britain say to a demand by those of India for relief, by reviving the old exclusion of British vessels from the navigation of the Eastern seas, except in the employ of the Company? —

The attempt, in favor of the British ship-owner and ship-builder, to exclude the teak timber and teak ships of India from a free participation with those of every other external possession of the British

crown, is but ■ part of the same narrow system, which suggested the exclusion of its sugar by a protecting duty in favor of the West-Indian sugar planter. Both are urged in the same spirit ; both are instances of the pertinacity, with which the several classes of active life pursue each its partial and immediate benefit, to the prejudice of all the rest of the community. And mark the object and result of these and similar measures. India is to be the vent for the home manufactures of Britain ; to take off her woollens, her hardware, her pottery, her glass,—the innumerable products raised by her skill and industry to meet or excite wants of every kind. Even her cottons are to supplant the labors of Indian looms, and to extinguish the occupation, that furnished with subsistence millions of the natives of our Asiatic provinces. Yet the products of India are to be excluded with the most invidious jealousy from the home market of Britain ; her sugars by iniquitous protecting duties from British consumption ; her timber from British dock-yards ; her ships (and ships too are products) from British

registry and rights of navigation. At this rate, how is the intercourse to continue? Where the returns for an increasing export? What is to become of the industry of British India? And how is that general contentment of its population to be secured, on which depends the constancy of its allegiance?

It is time that Great Britain should begin to act systematically upon a maxim now admitted by all parties; *viz.* that there neither is nor can be any considerable external vent for the products of national industry, without the acceptance of external products in exchange; in other words, without the home consumption of foreign commodities: and that their exclusion, whether openly attempted by downright prohibition, or covertly effected by the pressure of taxation, tends but to the destitution of that very industry it professes to protect and promote. Perseverance in her present commercial policy must impair the prosperity, at once of the mother country and of its colonies and dependencies: yet the latter will not all suffer in equal degree. To her

transatlantic possessions it threatens total destruction : loss of income to the proprietor, of principal and interest to the mortgagee ; bankruptcy to the trader and consignee ; and the extinction of an extensive branch of commerce and source of revenue to the nation at large. The continent of India, though it has the most to complain of, has the least to apprehend : its injuries cannot extend beyond the privation of a lucrative intercourse, it has only now begun to enjoy or appreciate. Her population will only be thrown back upon its own resources,—compelled still to vegetate in ignorance upon the bare necessities of life, to which it has been heretofore confined. A check will be given to all further growth of new desires, the gratification of which could not have been effected without infinite mutual advantage.

Yet what is there to prevent the gradual, but early, adoption of a more liberal and enlightened policy, for the common good alike of the colonies and of the parent state ? Ignorance and prejudice no longer afford a pretext for the obstinate adherence to a system, which all exclaim against, and all

feel to be ruinous. The British consumer has a right to some relief from a scale of duties upon import*, which directly abridges his enjoyments, and indirectly paralyzes the national industry, without an equivalent increase of the national revenue. He claims, that the barriers of exclusion and exclusive taxation shall be levelled, or at least expanded. The West-Indians claim, and have already in part obtained†, a direct intercourse with the markets of other nations, which, if earlier admitted, might have alleviated some of their present difficulties, but which now can scarcely do more than enable them to supply the wants of their cultivation at a somewhat cheaper rate. The East Indians assert the right to the admission of their products in the markets of the

■ Muscovado sugar, by the last printed average for October 1822, appears to have been sold per cwt. ■ follows :—

East India.			West India.		
In bond.....	£. 1	8 0	£ 1	11 0½	
Duty	1	17 0	1	7 0	
Price to the whole-					
sale buyer	3	■ 0	2	18 0½	

On clayed, of either growth, an additional duty of 5s. is charged.

† By stat. 3 Geo. IV, c. 44, 45, referred to supra, p. 36, 38.

mother-country, upon equal terms with other colonial growers, and of their ships to all the advantages of British registry. All these claims are equally founded in justice and expedience, though, in point of extent and importance, some are more entitled to consideration than others. For, what advantage can the insular possessions of Britain in the West, with their limited territory and population, present to British enterprise and capital, at all equivalent to the direct supply of the growing wants of the hundred millions on the continent of India, already within the sphere of British dominion, and the indirect supply of perhaps as many more, spread far and wide from the shores of the Red Sea to the extremes of the Eastern Archipelago, and of the redundant population of the Celestial Empire? Here is, indeed, a market for British manufactures, a vent for its surplus product, in comparison with which the expected demands of emancipated Spanish America, even if realized to the full extent, and superadded to West-Indian consumption, must, for ages to come, shrink into insignificance.

But, let it not be forgotten, that commercial intercourse can only be maintained upon the principle of reciprocity, even between a parent state and its own external dependencies. Receive the products of India in return, else she cannot pay for your manufactures : admit her teak timber into your dock-yards, like the fir timber of Canada, her ships to registry and free navigation, and her sugar, cotton, and coffee on equal terms with those of your West-Indian Islands, and the demand of Asia for your products will increase beyond your most sanguine hopes. Close your ports against her shipping, your arsenals against her timber, your markets against the products of her agriculture ; and you compel the millions of your Eastern subjects to forego the satisfaction of their rising desires, by stifling the ability to gratify them.

These truths need only to be re-stated and kept continually alive in the attention of the public, to frustrate the exertions of those amongst us, who have a personal interest in the continuance of monopoly and exclusion. The ship-builders of the

Thames have no stronger claim to commiseration than those of the Hooghly ; the sugar-planters of Jamaica, than the cotton-weavers of Bengal or the Carnatic. The change of system, like the change of fashion, cannot be effected without individual loss : but those, who speculate upon the permanence of error and injustice, build upon a foundation of sand, and ought not to be amazed, if the fabric of their folly gives way, sooner or later, to the steady operation of truth and natural causes. Transition from a complex, unjust, and artificial state, to one more simple, just, and natural, will, doubtless, involve the ruin of whole classes of respectable individuals. But such is the inevitable result of the stern march of public events ; of the general improvement, which the last century has produced in civilization, art, and science, and, we must hope too, in true religion and morality. The consideration of private loss, even if it were not absorbed in the certainty of public gain, would yield to the conviction, that error, when discerned, can never be a permanent guide of human conduct, and that loss, at

one time or other, must be inevitable, though it may perhaps be deferred for ■ season.

These impediments to the extension of intercourse between India and Britain, are equally important in practice and in principle. That they are so is pretty evident, from the anxiety evinced, on the one hand, by the trading and manufacturing classes to rid themselves of them, and, on the other, by those who derive a personal advantage from them, to secure their continuance. The stand made by the Court of Directors in the first instance, and the Court of Proprietors in their support, to resist any extension of the freedom of navigation and commerce within the limits of the Company's charter, although such extension is admitted on all hands to be most desirable, unless on the condition of the removal of these impediments, however paradoxical it may be in principle, will yet be entitled to praise, if it should have the effect of extorting the concessions demanded. Retaliation, indeed, has no other legitimate object than this, of compelling ■ wrong-headed antagonist to liberal conduct, and enforcing reciprocity

by the sense of mutual privation. This was the avowed object of the United States of America, in their recent measures of retaliation towards the trade of France and England; and with both it has been successfully pursued*. It is to be hoped, that, in a matter of domestic policy, England will not disdain to learn experience from a kindred, though now a rival nation: and that the enlightened president of the Board of Control, instead of yielding to the resistance of the Company, for the sake of preserving an undue advantage to the West-India planter, and to the British ship-owner and builder, at the expense of the nation at large, will see the wisdom and justice of acceding the only points in difference, and thus render his proposed Bill more complete and effectual.

There is yet another topic, which cannot be left altogether unnoticed, while the subsisting difficulties in the way of a more en-

* Vide, Convention of Commerce, ratified 3d July, 1815, between England and the United States of America, granting "free liberty to the subjects to come with their ships and cargoes to all places to which other foreigners are permitted to come, to hire and occupy houses and warehouses, and reside in any parts of the said territories respectively."

larged traffic with the untried markets of the East are under review. It is one of sufficient consequence to have attracted a great deal more of the public attention than seems to have been given to it. Yet it cannot be approached without considerable diffidence: and that is, the continuance of the trade carried on by the Company.

To those at all acquainted with the details of commerce it will be evident, that nothing can be more injurious to the private trader, who hazards his own talent, capital, and credit upon the fair calculation of the demand abroad and at home for the objects of his traffic, than to have to sustain a competition, not with individual talent, capital, and credit, animated by the same motives, and acting upon the same principles as himself; but with a great corporate body, possessing unlimited command of capital and credit, sure of the preference of the market, and able at any time, by its own operations, to vary the ratio of supply and demand without control, to render nugatory the calculations of individuals, and to make the expectation of profit or loss a mere gambling adventure. This must in all cases

prove a very serious impediment to private commerce ; and it is a mischief inseparable from the existence of great trading corporations in a commercial nation. The mischief is felt most severely, when great abundance of capital and activity of trade have reduced profits to the lowest rate ; which is precisely the case in Great Britain at the present period.

But the case in question presents this mischief in the form the most monstrous, that it could by possibility assume. For here the private trader has to compete, not with a corporate body, like the Philippine company of Spain, operating upon a large joint-stock capital, yet confined to the purposes of commerce, and obliged to look to commerce (monopoly commerce it is true) for the replenishment and maintenance of that capital, and for the dividends it shall make to the shareholders ; but with a body, possessed of the sovereignty and public revenue of an area larger than most kingdoms of Europe, and covered with a population of fifty millions ; which can supply the capital of its commerce from the receipts of a national exchequer, and indemnify it-

self for the losses of its own corporate trade, by the duties on trade carried on by its private competitors*. In the one instance, there is some little chance of prudence and foresight in the commercial transactions of the company. However cumbrous its operations and profuse its system of management; however liable to be cheated by its agents, and every way inferior in frugality, energy, and sagacity to the individual trader, still the end and object it has in view must be the same, though the means

* The power of the Company to impose *new* or *additional* duties in India, upon import and export, is qualified by the last Act for renewal of its charter (53 Geo. III, c. 155, s. 25); and, it is but justice to admit, that it has always been very sparingly exercised. Goods of British manufacture ■■■ subjected to a duty of 2½ per cent. only; and woollens, metals, canvas, and marine stores are admitted duty free. Foreign products pay 5, and wines and spirits 10 per cent., if imported in British, and double duty if imported in foreign bottoms. But, however moderate the exercise of this power, the objection on principle is equally strong. The import effected by the sovereign pays the duty to the sovereign: in other words, pays no duty at all. Supposing the gross price to the Indian consumer, inclusive of duty, to reimburse to the private importer the prime cost and charges only, without any profit to himself, he can have no inducement to continue his investments. But the import of the *sovereign* company will still have a motive; inasmuch as, although it ■■■ make no profit as merchant, it will gain the whole amount of the duty ■■ sovereign. Herein is the inequality.

of arriving at it be ever so ill chosen or ill employed. In the other, even this inadequate security for good management vanishes : improvidence carries with it no self-punishment, no self-adjusting check, no germ of repentance. The trade is prosecuted as an engine of patronage, not as a means of profit ; and its operations perverted, ignorantly perhaps, or it may be intentionally, to injure and counteract those of the private trader, and to deter him from so unequal a competition. Thus, individuals are ruined or driven out of the field, and the company, as merchants, are not benefited : while the interests of the subjects of their sovereignty are wantonly sacrificed. The commerce of the trading sovereign is an item of annual expenditure, and not of income, like the national manufacturing establishments of tapestry and porcelain maintained by France ; and a part of that revenue, which is never justly levied but for the purposes of good government, is perverted to the manifest injury and loss of the subject community.

That this is no fanciful picture, must be well known to every merchant, who has

meddled with the East-India trade since it was thrown open to individuals. Did one house of business make a handsome profit upon a home-ward adventure of silk? In steps the Company, greedy to share the advantage; forestalls all the silk in the market; raises its price, and is probably a loser by the concern. Has another been fortunate in an out-ward investment of iron? The Company forthwith gluts the market with iron, to its own loss, and to the ruin of the private exporter, if he have been so unlucky as to repeat his dealing. Meanwhile, the speculator lies by with his capital in hand, and possibly in the end picks up a profit out of the folly of the one side and the unmerited misfortune of the other. Thus, it is the obvious tendency of the system to give to this third party, who is the least deserving, the whole of what poor private advantage can be saved out of the wreck of the general interests, that such a course of policy presents in the result.

It is time that this matter should be fully and rigorously inquired into; that the Company should be called upon by Parliament for a complete statement of the

profit and loss account of their trade since 1813, exclusive of the China concern. Should it appear, that even a considerable profit has accrued to the Company, it will infallibly be far too little to weigh in the balance against the manifold evils it must have occasioned to the private trade. But it will, doubtless, turn out just the reverse ; a loss and not a profit will be shown : for it would be quite out of all reason to suppose the concerns of a great corporate company, with all its inherent disadvantages, can have been better planned or better conducted than those of individuals ; and they have confessedly made a loss. How, then, will it be possible, on any rational ground, to resist the demand, that the anomaly of a trade carried on by corporate sovereigns should be abandoned altogether — when, besides its injury to private trade, it shall stand forth displayed to all the world as a losing concern, even to the conductors themselves ?

But it is to be hoped, that the exposure, and the decision it must necessarily provoke, will be rendered needless by the Company's voluntary abandonment of

what must be found utterly indefensible. The great plea for the continuance of their trade has now become obsolete. The difficulty of making remittances for the support of the Company's establishment, and the payment of the interest of its debt in Europe, was always more imaginary than real. The increased and increasing amount of the private trade has removed it altogether; and the arrangements of the Indian governments for the future payment, in India, of the interest upon their debts, will dissipate even the shadow of such a pretext. If, notwithstanding, the Company should persist in a traffic, alike ruinous to themselves, and destructive of the common benefit of Britain and of India, their only ostensible motive will be, the desire to retain the paltry patronage derived from its prosecution. Is this a motive they will venture to avow, or to act upon in the face of the country? Is it one, that ought for a moment to arrest the solicitude of the Legislature for the relief of the distress and stagnation of the national commerce?

But the Company has too large interests

at stake, to hesitate about so poor a trifle. With a direct dominion over fifty millions, and an indirect one over as many more, it has enough to occupy its attention in the vigilant control, enough to satisfy its cupidity in the civil, military, and miscellaneous patronage, which the mere administration of such an empire involves. Constitutional jealousy has placed and preserved this enormous influence in their hands ; in them constitutional jealousy will continue to leave it, so long as the confidence of the nation shall be justified, by the use that shall be made of this prodigious trust. Is it for the fiduciary possessors of so prolific and splendid a tutelage to oppose themselves to the desires, and to counteract the designs, of those, upon whose indulgence alone depends the permanence of their power and patronage ? Such a machinery of government stands in need of more popularity, than even the most judicious distribution of its envied patronage can acquire : it can exist only by retaining the favor of public opinion ; for it has no parallel in ancient or modern times, and has been adopted in this in-

stance with extreme jealousy, distrust, and apprehension.

When the family of Medici mounted from the counter to the throne, it had the wisdom to sink the qualities of the merchant in the nobler attributes of the prince. The Company too commenced as a trader, and has grown into a sovereign: can it not learn to follow such an example? Or, if it needs must retain the stamp of its original destiny, can it not be content with the China monopoly, while that abuse (for abuse it is beyond all question) shall be suffered to endure? Though trading sovereigns have been long since exploded, sovereign monopolists may obstruct the general good for a few years yet to come. But the Company must prepare itself ere long, to relinquish this last hold of its primitive institution, and, with the functions of sovereignty, to assume its virtues and its dignity.

But these, perhaps, are suggestions, beyond the immediate scope and object of these pages. It is sufficient for our present purpose to point out a mischief, which is every day growing more serious, and to

denounce to those, who look to the East for the amplest extension of British commerce, this other great obstacle to its progress. Whatever be the course adopted by the Company, it is fit the public should know its own interest, and be apprized, if it be not so already, that, besides the virtual exclusion of the sugars, and the refusal of registry to the shipping, of India, this additional impediment stands in the way of the full perception of those benefits, which the markets of the East offer in unlimited profusion to British industry and British enterprize.

THE END.

APPENDIX.

APPENDIX A.

COTTON GOODS.—RETURN to an Order of the Honourable House of Commons, dated 10th June, 1822;—for

AN ACCOUNT OF MANUFACTURED COTTON GOODS, PRINTED AND PLAIN,
Which have been exported from Great Britain to Ports and Places to the Eastward of the Cape of Good Hope, from
1st January, 1813, to 1st January, 1822; signifying the Number of Pieces and Yards, and the Value thereof, and
distinguishing the Quantity and Value of each Year's Export.

YEAR ending	PRINTED COTTONS.			PLAIN COTTONS.			Cotton Manu- factures of all other sorts.	TOTAL Declared Value of Cotton Goods Exported to Ports Eastward of the Cape of Good Hope.		
	Quantity	Declared Value.		Quantity.	Declared Value.					
		YARDS.	£. s. d.		YARDS.	£. s. d.				
									Records destroyed by Fire at the Custom House.	£. s. d.
5th January, 1814...	604,800	60,100	9 4	213,408	30,817	17 6	18,561	16 6		
1815...	866,077	72,960	3 10	489,399	57,966	19 5	11,484	2 4	142,411	5 7
1816...	991,147	72,386	8 9	714,611	70,827	11 3	17,320	3 10	160,534	3 10
1817...	2,848,705	198,330	2 7	2,468,024	195,170	0 0	29,313	12 9	422,813	15 4
1818...	4,227,665	292,282	1 4	4,614,381	373,633	1 5	34,977	11 6	700,892	14 3
1819...	3,713,601	233,618	12 2	3,414,060	219,399	6 1	8,248	13 3	461,266	11 6
1820...	7,602,245	474,004	7 3	6,724,031	343,124	18 11	33,752	0 6	850,881	6 8
1821...	9,979,866	587,523	11 0	9,940,736	508,805	18 9	23,995	15 1	1,120,325	4 10
1822...										

Inspector General's Office. Custom House.

Inspector General's Office, Custom House,
• London, 15th June 1822.

WILLIAM IRVING,
Inspector General of the Imports and Exports of Great Britain.

APPENDIX B.

An Account of the Number of Ships *built in the East Indies*,
with their Tonnage, for which Certificates of Registry
have been granted since January, 1795, in the Port of
London, and in the Outports.

Ships' Names.	Tonnage.	Ships' Names.	Tonnage.
Sparrow	147	Medway	192
Britannia	520	Althea	810
Charlotte	269	Wellesley	825
Anna	684	Bellona.....	577
Nonsuch	483	Seringapatam	357
Harriett	373	Cartier	391
Abercromby.....	615	Duke of Bronti.....	170
Warren Hastings	450	Admiral Rainier	886
Royal Charlotte	677	Porcher	772
Anna	899	Sarah	935
Berwick	426	Juliana	502
Eliza Ann.....	492	Aurora	568
Surat Castle.....	1139	Lucy and Maria	753
Carron	1072	Marian	350
Lady Shore	482	Hope	562
Cecilia	478	Union	748
Bangalore	291	Countess of Sutherland	1509
Gabriel	867	Arran	344
Varuna	548	Clyde	600
Caledonia.....	848	Ruby	271
Cornwallis	716	Mangles	574
Minerva	564	Sir William Pulteney	609
Exeter	503	Star	119
Highland Chief	462	Matilda	762
Calcutta	768	Hope	301
Shaw Ardasher	868	Margaret	275
Scauby Castle.....	1237	Fortitude	477
Armenia	518		
Cuvera	935		
		56 Ships, and 33,570 Tons.	

Vide Reports and Papers on India Shipping & Trade. (Black. 1809.)



LONDON:
PRINTED BY CHARLES WOOD,
Popple's Court, Fleet Street.